

Message Text

LIMITED OFFICIAL USE

PAGE 01 NEW DE 00777 160555Z

11

ACTION NEA-10

INFO OCT-01 EUR-12 ISO-00 CIAE-00 DODE-00 INR-07 NSAE-00

PA-01 USIA-06 PRS-01 SP-02 EB-07 COME-00 TRSE-00

OMB-01 AID-05 /053 W

----- 122964

R 151225Z JAN 76

FM AMEMBASSY NEW DELHI

TO SECSTATE WASHDC 3419

INFO AMEMBASSY LONDON

AMCONSUL BOMBAY

AMCONSUL CALCUTTA

AMCONSUL MADRAS

LIMITED OFFICIAL USE NEW DELHI 0777

EO 11652: NA

TAGS: ETRO, IN, UK

SUBJ: UK AND INDIA WILL ESTABLISH JOINT ECONOMIC
COMMITTEE

SUMMARY: THE RECENT VISIT TO INDIA OF BRITISH SECRETARY
OF STATE FOR TRADE SHORE RESULTED IN AN AGREEMENT TO
ESTABLISH A JOINT COMMITTEE. THE BRITISH ARE PRIMARILY
INTERESTED IN EXPANDING THEIR EXPORTS TO INDIA AND
HAVING CLEAR GOI GUIDELINES FOR BRITISH INVESTORS HERE.
END SUMMARY.

1. THE FOUR-DAY VISIT OF PETER SHORE TO NEW DELHI AND
CALCUTTA WAS HIGHLIGHTED BY A JANUARY 6 AGREEMENT TO
SET UP A JOINT COMMITTEE ON ECONOMIC COOPERATION AND
TRADE. IN ADDITION, TWO SUBCOMMITTEES ARE TO BE
APPOINTED, ONE MADE UP OF GOVERNMENT OFFICIALS TO
HANDLE BILATERAL ECONOMIC RELATIONSHIPS, THE OTHER
INCLUDING REPRESENTATIVES OF BOTH PUBLIC AND PRIVATE
SECTORS TO DEAL WITH INDUSTRIAL COOPERATION,
TECHNOLOGICAL COLLABORATION AND INVESTMENT. ACCORDING
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 NEW DE 00777 160555Z

TO BRITISH COMMERCIAL OFFICER STAFFORD, THE JOINT

COMMITTEE IS EXPECTED TO MEET ANNUALLY, AND THE FIRST SESSION IS SCHEDULED FOR MAY 1976 IN LONDON. HE SAID THAT THE MEETINGS WOULD HOPEFULLY BE CHAIRED ON THE MINISTERIAL LEVEL. THE FIRST MEETINGS OF THE TWO SUBCOMMITTEES ARE NOW TENTATIVELY SCHEDULED FOR THIS APRIL.

2. SHORE MADE CLEAR IN A PRESS CONFERENCE THAT ONE OF THE PRINCIPAL OBJECTIVES OF HIS GOVERNMENT WAS TO INCREASE BRITISH EXPORTS TO INDIA IN ORDER TO BRING TRADE BETWEEN THE COUNTRIES INTO A MORE REASONABLE BALANCE. STAFFORD REITERATED TO US THAT 1975 WAS THE THIRD YEAR IN A ROW THAT THE UK HAS A TRADE DEFICIT WITH INDIA. HE THOUGHT THAT INCREASED COMPETITION FROM JAPAN AND WEST GERMANY PLUS BRITISH FAILURE TO CAPTURE MUCH OF THE BUSINESS RESULTING FROM MULTILATERAL EXTERNAL ASSISTANCE PROGRAMS TO INDIA WERE THE BASIC CAUSES OF THIS SITUATION. SHORE ALSO STRESSED THAT THE GOI'S FOREIGN INVESTMENT (FERA) GUIDELINES AND ADMINISTRATION SHOULD BE CLARIFIED IN ORDER TO ENCOURAGE AND PROTECT BRITISH INVESTORS HERE. IN ADDITION, HE TALKED ABOUT THE POSSIBILITY OF COLLABORATION OF INDIAN AND BRITISH FIRMS IN THIRD COUNTRY MARKETS.

3. STAFFORD SAID THAT BRITAIN'S TRADITIONAL ECONOMIC RELATIONSHIP WITH INDIA WAS WEAKENING AND THAT THE JOINT COMMITTEE CONCEPT WAS PROBABLY NECESSARY NOW TO SUPPLEMENT THESE RELATIONS. HE NOTED THAT THE GOI HOPED TO USE THE COMMITTEE TO ENLIST UK SUPPORT FOR SOME OF INDIA'S ECONOMIC DEMANDS ON THE EUROPEAN COMMUNITY.

4. COMMENT. SHORE HAS BEEN A WELL-KNOWN ADVOCATE OF A UK-INDIA JOINT COMMITTEE, IN CONTRAST TO THE RATHER COOL ATTITUDE IN THE PAST OF BRITISH HIGH COMMISSION OFFICIALS HERE. THE UK WAS NO 8 IN INDIAN PURCHASES OF FOREIGN GOODS IN FY 1974-75, BUT IT REMAINS TO BE SEEN WHETHER THE NEW ARRANGEMENT WILL IMPROVE BRITAIN'S TRADING POSITION IN INDIA.
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 NEW DE 00777 160555Z

SAXBE

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: ECONOMIC COOPERATION, TRADE, MINISTERIAL VISITS, COMMITTEES
Control Number: n/a
Copy: SINGLE
Draft Date: 15 JAN 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: morefirh
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976NEWDE00777
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D760016-0987
From: NEW DELHI
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19760154/aaaabvtv.tel
Line Count: 108
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION NEA
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: morefirh
Review Comment: n/a
Review Content Flags:
Review Date: 12 MAY 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <12 MAY 2004 by ShawDG>; APPROVED <13 MAY 2004 by morefirh>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: UK AND INDIA WILL ESTABLISH JOINT ECONOMIC COMMITTEE
TAGS: ETRD, ECON, UK, IN, (SHORE, PETER)
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006